



Concordia Charter – Mesa
142 N. Date St.
Mesa, AZ 85201
480-461-0555

September 19, 2012

Request for Appeal –CC Docket No. 02-6

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

Dear FCC Appeals Unit:

Please let this letter serve as our request to appeal the USAC Administrators decision letter dated August 30, 2012 and request funding for this single school site for FRN 2196120 and 2196158 – Erate Yr 14.

We are appealing the Administrators Decision on Appeal regarding the FRN's listed below.

Billed Entity Number: **16063340**
Contact person name: **Margaret Roush-Meier**
Contact information (including email address): mrroushmeier@concordiacharter.org
Executive Director
CONCORDIA CHARTER SCHOOL
142 N. DATE ST
MESA, AZ. 85201
(602) 461 -0555
fax: (480) 461-0556

Form 471 Application Number: **809062**
Funding Request Numbers (FRN): **2196120, 2196158**

Reason for USAC's denial of appeal for FRN: 2196120

Funding Request Number(s): 2196120
Decision on Appeal: **Denied**
Explanation:

- A Form 471 Receipt Acknowledgment Letter (RAL) was sent to Concordia Charter School, Inc. on March 25, 2011. The RAL listed allowable clerical and ministerial error corrections to the Form 471 and indicated that the deadline for submitting such corrections was April 14, 2011. The record indicates no such submittal was made. A Revised Funding Commitment Decision Letter (FCDL) was sent to you that approved the above funding request as was submitted. The rules of this support mechanism do not allow for an increase of a funding request subsequent to the Form 471 being committed for funding unless there was an error on the part of USAC. On appeal, you have failed to provide any evidence that USAC erred in its initial determination.
- Your appeal requests additional funds that were not included in the FCC Form 471 that you are appealing. FCC rules require that funding requests must be submitted via an FCC Form 471. *See 47 C.F.R. sec. 54.504(a).* New funding requests cannot be submitted through the appeals process. Considerations for funding requests depend on the date the FCC Form 471 is received and the amount of funds available if it is received after the close of the filing window. *See 47 C.F.R. sec. 54.507(g).* Consequently, USAC denies your appeal insofar as it requests funding that was not included in the FCC Form 471.

Reason for USAC's denial of appeal for FRN: 2196158

Funding Request Number(s): 2196158
Decision on Appeal: **Denied**
Explanation:

- According to our records, the above funding request included costs for the following ineligible products and/or services: 11% of LF-Room and Cart, LG-LCDTV, and installation, project management, engineering, support and shipping (IDS-IPMES) for ineligible item LG-LCDTV. Since you failed to provide the specific dollar amount of Part # IDS-IPMES which is associated with the LG-LCDTV (determined to be 100% ineligible) as previously requested, we are required to remove the entire \$7,431.04 for the IDS-IPMES. In your appeal, you have not shown that USAC's determination was incorrect. Consequently, your appeal is denied.

- FCC rules provide that funding may be approved only for eligible products and services. *See* 47 C.F.R. secs. 54.502. The USAC website contains a list of eligible products and services. *See* USAC website, www.usac.org/si, Eligible Services List. FCC rules further require that if 30% or more of the applicant's funding request includes ineligible products and/or services, then the funding request must be denied, otherwise the funding request will be reduced accordingly. *See* 47 C.F.R. sec. 54.504(b). The FCC's Aiken County Public Schools Order directed USAC to permit the applicant 15 calendar days from the date of receipt of notice in writing by USAC to revise its funding request to

remove the ineligible services or allow the applicant to provide additional documentation to show why the services are eligible. *See* Requests for Review of the Decisions of the Universal Service Administrator by Aiken County Public Schools Aiken, SC, et al., Schools and Libraries Universal Service Support Mechanism, File No. SLD-397612, et al., CC Docket No. 02-6, Order, 22 FCC Red 8735, FCC 07-61 para. 11 (May 8, 2007).

Revised FCDL dated 7/20/2012 –

Revised Funding Commitment Decision Letter
Funding Year 2011: (07/01/2011 - 06/30/2012)

July 20, 2012

Dale Kvittern Barr
CONCORDIA CHARTER SCHOOL
142 N DATE ST
NESA, AZ 85201-0000

RE: Form 471 Application Number: 809062
Billed Entity Number: 16063340
Applicant's Form Identifier: ConYr14Int

FUNDING COMMITMENT REPORT
Billed Entity Name: CONCORDIA CHARTER SCHOOL
BEN: 16063340
Funding Year: 2011

Form 471 Application Number: 809062
Funding Request Number: 2196120
Funding Status: Funded
Category of Service: INTERNAL CONNECTIONS
Form 470 Application Number: 818990000906413
SPIN: 143019959
Service Provider Name: K-12 Soundvision LLC
Contract Number: N/A
Billing Account Number: Concordia Charter
Service Start Date: 07/01/2011
Contract Expiration Date: 06/30/2012
Site Identifier: 16063340
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$15,562.58
Pre-discount Amount: \$15,562.58
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$14,006.32 - FRN approved as submitted

Revised FCDL Date: 07/20/2012
Appeal Wave Number: A09
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2013

Consultant Name: Mike Daniel
Consultant Number (CRN): 16043671
Consultant Employer: Tech Funds Inc

FUNDING COMMITMENT REPORT
Billed Entity Name: CONCORDIA CHARTER SCHOOL
BEN: 16063340
Funding Year: 2011

Form 471 Application Number: 809062
Funding Request Number: 2196158
Funding Status: Funded
Category of Service: INTERNAL CONNECTIONS
Form 470 Application Number: 818990000906413
SPIN: 143027748
Service Provider Name: Interactive Digital Solutions, LLC
Contract Number: N/A
Billing Account Number: Concordia Charter
Service Start Date: 07/01/2011
Contract Expiration Date: 06/30/2014
Site Identifier: 16063340
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$11,313.10
Pre-discount Amount: \$11,313.10
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$10,181.79 - Modified by SLD
Funding Commitment Decision Explanation: MR1: The amount of the funding request was changed from \$20,499.74 One-Time Charge to \$11,313.10 One-Time Charge to remove the ineligible product/service \$7,431.04 One-Time Charge for Installation, Project Management, Engineering, Support and Shipping for ineligible item LG LCD TV; \$1,300.80 One-Time Charge for LF Room; \$357.36 One-Time Charge for LG LCD TV; \$97.44 One-Time Charge for Cart.
Revised FCDL Date: 07/20/2012
Appeal Wave Number: A09
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2013
Consultant Name: Mike Daniel
Consultant Number (CRN): 16043671
Consultant Employer: Tech Funds Inc

Original appeal approval letter –

July 06, 2012

Margaret Roush-Meier
Concordia Charter School
142 N Date St
Mesa, AZ 85201

Re: Applicant Name: CONCORDIA CHARTER SCHOOL
Billed Entity Number: 16063340
Form 471 Application Number: 809062
Funding Request Number(s): 2196101, 2196120, 2196291, 2196305, 2196158
Your Correspondence Dated: April 24, 2012

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2011 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2196101, 2196120, 2196291, 2196305
Decision on Appeal: Approved
Explanation:

- Your appeal has brought forward persuasive information that the funding requests cited above should be approved for funding.

Funding Request Number(s): 2196158
Decision on Appeal: Approved, Funding Reduced
Explanation:

- Your appeal has brought forward persuasive information that the funding request cited above should be approved for funding. However, the funding has been reduced for reasons cited below:

The amount of the funding request was changed from \$20,499.74 One-Time Charge to \$11,313.10 One-Time Charge to remove the ineligible products/services: \$7,431.04 One-Time Charge for Installation, Project Management, Engineering, Support and Shipping for ineligible item LG LCD TV; \$1,300.80 One-Time Charge for LF Room; \$357.36 One-Time Charge for LG LCD TV; and \$97.44 One-Time Charge for the Cart.

- FCC rules provide that funding may be approved only for eligible products and services. *See* 47 C.F.R. secs. 54.502. The USAC website contains a list of eligible products and services. *See* USAC website, www.usac.org/sl, Eligible Services List. FCC rules further require that if 30% or more of the applicant's funding request includes ineligible products and/or services, then the funding request must be denied, otherwise the funding request will be reduced accordingly. *See* 47 C.F.R. sec. 54.504(b). The FCC's Aiken County Public Schools Order directed USAC to permit the applicant 15 calendar days from the date of receipt of notice in writing by USAC to revise its funding request to remove the ineligible services or allow the applicant to provide additional documentation to show why the services are eligible. *See* Requests for Review of the Decisions of the Universal Service Administrator by Aiken County Public Schools Aiken, SC, et al., Schools and Libraries Universal Service Support Mechanism, File No. SLD-397612, et al., CC Docket No. 02-6, Order, 22 FCC Red 8735, FCC 07-61 para. 11 (May 8, 2007).

Since the Administrator's Decision on Appeal modifies funding for your application, USAC will issue a Revised Funding Commitment Decision Letter (RFCDL) to you and to each service provider that will provide the services approved for discounts in this letter. USAC will issue the RFCDL to you as soon as possible. If your appeal included Internal Connections at a discount level that has not yet been approved for funding, an RFCDL will be issued for those funding requests once USAC determines if there will be sufficient funds to make commitments at your discount level. The RFCDL will inform you of the precise dollar value of your approved funding request(s). As you await the RFCDL, you may share this Administrator's Decision on Appeal with the relevant service provider(s).

Reason for the Appeal:

(FRN): 2196120 - Cabling

1 - This FRN was for cabling materials and labor. The original item 21 attachment was missing the applicable taxes as requested on the form 470 and they were hand written in prior to submission to USAC. A clerical error was made during the 471 block 5 entry and we entered an amount without taxes. During our PIA reply 5 24 2012 to

Ashish Sitapara - Associate Manager, Program Compliance, on page 3 we requested correction for the clerical error, then again on page 2 and 3 during the appeal PIA reply on August 8, 2012 with **David Gornstein Program Compliance, USAC Schools & Libraries Division**

2 - In each case we provided a copy of the original item 21 attachment (with the hand written entries), and in the August 8th reply we included a letter from the vendor correcting the tax amount from 9.3% down to 7.3 % since they were using a lower contractor rate. This information from the PIA reply pages 1 and 2 is inserted below.

3 - We are requesting the FCC to allow for correction of our clerical error and that the amount of \$ 1,106.22 is reinstated for the FRN for a total pre discount amount of \$ 16,259.90 rather than the reduced amount of 15,562.58 by the USAC administrator.

Reason for the Appeal:

(FRN): 2196158 – Video conferencing Server / VOD server –

1 – This FRN was a request for a video conferencing server, supporting equipment, equipment cart/rack, TV/monitor and installation/training.

2 – The original item 21 attachment specifically detailed eligibility for all items at 89%, all item were eligible for funding. During the PIA reply on 5/24 on pages ¾ we responded with the part numbers and eligibility information as provided in the item 21 attachment.

3 – USAC improperly removed funding for two part numbers; one associated with the system installation, project management and shipping (Part # - IDS-IPMES) and the second part number for the associated TV/monitor (Part # - LG-LCDTV-22LD). We find no entries in the ESL for 2011 that would warrant the removal of the requested products and services.

4 – USAC denied funding for the LG TV/Monitor (\$ 318.05 eligible cost) (Part # - LG-LCDTV-22LD) though they did not cite where in the ESL it was not eligible. The TV/monitor is directly attached and is required for installation, configuration and set up of the video conferencing system/VOD server. It is not an end user device, it is mounted on the cart/rack and provides the 16x9 wide screen, High definition, multisite viewing required by the video conferencing system/VOD server. One monitor per server is eligible, but due to the High Definition (HD) video, HDMI interface, 16x9 aspect ratio and other aspects of the video conferencing system/VOD server, a TV/monitor is required to produce audio and video. We demonstrated to USAC in the PIA replies that the server requires the TV/monitor in order to properly configure and test, yet funding was denied. The purpose of the Video conferencing/video on demand equipment is to enable the LIFESIZE system to stream live Internet video and VOIP from one or multiple sites over an Ethernet network to individual classrooms or areas of instruction.

5 – Given the cost associated with the TV/monitor as comparable to a standard monitor, it is cost effective and provides support for transport of information to classrooms or public rooms of a library.

Services

Part Number	Description	Qty	Unit Price	Extended Price	Eligibility	Eligible Cost	SLD Will Pay	School's Out of Pocket
IDS-IPMES	Implementation, Project Management, Engineering, Support and Shipping	1	\$7,431.04	\$7,431.04	89.00%	\$6,613.63	\$5,952.26	\$1,478.78

Part Number	Description	Qty	Unit Price	Extended Price	Eligibility
LG-LCDTV-22LD	LG 24" 16:9 Widescreen HDTV 720P w/Digital Tuner	1	\$357.36	\$357.36	89.00%

6 – The FCC has concluded and applied rule making to “video on demand” servers in FCC Docket 09-105, yet it remains missing from the USAC online web pages and is also missing from the 2011 ESL. See page 52 – index of the ESL.
From the ESL –

One monitor per eligible server or other eligible component requiring a visual display is eligible for discount.

Monitor (Servers)

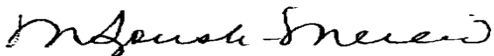
A monitor is the video display unit (television screen) that is used to display information from a computer.

7 – We are requesting the FCC to reinstate and correct the total pre discount funding for this FRN 2196158 to \$ 18,244.77 from \$ 11,313.10.

Pursuant to the facts presented, we request correction of the clerical error in FRN 2196120 and acceptance of the eligible products and services requested in FRN 2196158.

Thank you for your consideration of our request.

Sincerely,



MARGARET ROUSH-MEIER
Executive Director
CONCORDIA CHARTER SCHOOL
142 N. DATE ST
MESA, AZ. 85201
(602) 461 -0555
fax: (480) 461-0556

mroushmeier@concordiacharter.org

Attachments –

Page 8 - FRN 2196120 – letter from k12 correcting the tax rate from 9.3 % to 7.3 % for PIA reply
Page 9 - 11 - FRN 2196120 – original item 21 attachment – 3 pages
Page 12-13 -FRN 2196120 – inserts from PIA reply 5/24/2012 and 8/9/2012
Page 14 -22 - FRN 2196158 - inserts from PIA reply 5/24/2012
Page 23 - 24 - FRN 2196158 – inserts from appeal reply 6.26/2012
Page 25 - FRN 2196158 original item 21 attachment



**Soundvision,
LLC**

August 8, 2012

Tech Funds Inc

Dear Mike:

RE: Concordia Charter School

Application Number: 809062

Response Due Date: August 22, 2012

Issue #1

In your documentation for FRN 2196120, you indicate a 6% contingency. Please provide additional details/explanation as to the specific services being requested. If the contingency fees are a regular business practice of the service provider, please provide a letter/statement from K-12 Soundvision LLC, to that effect. (ref MID#782).

K-12 Soundvision, LLC is providing cabling services for this school. In a building of older construction, it is a regular business practice to build in a contingency of 6% to cover costs of unforeseen issues.

Issue #2

In your documentation for FRN 2196120, you indicate a Phoenix Tax Rate of 9.3%, applicant is located in Mesa, AZ, Maricopa County. Please provide details / explanation as to the type(s) of taxes being requested (i.e. property, sales, USF admin., county, etc.) and appropriate rates.

K-12 Soundvision, LLC will instead be using a lower Contractor tax rate of 7.30 % which is comprised of Maricopa County (0.7%) and State of Arizona taxes (6.6%).

A handwritten signature in black ink, appearing to read "J. Ande", is written in a cursive style.

PMB 164
2733 N. Power Road, Suite 102
Mesa, AZ 85215
Phone 480-924-9788 Fax 480-924-6006 Website www.k12soundvision.com
ROC L67 154285



*Soundvision,
LLC*

Thursday, March 03, 2011

Margaret Roush-Meier
Concordia Charter School
142 N Date St
Mesa, AZ 85201

Dear Margaret:

RE: Erate RFP Bid #07-001

Thank you for the opportunity to respond to your Erate RFP. We are pleased to provide the attached cabling quote for your school. Additionally, I have provided a quote for the Basic Maintenance and Support of Cable as Eligible Items. **Our SPN is 143019959.** I have included Alternate 1 and 2 for Ineligible items of projectors and screens. I look forward to working with your school. Please call me with any questions at 480-924-9788.

Sincerely,

Jack Andre
Account Manager



END 2 END TECHNOLOGIES BUDGETARY PROPOSAL

Quote #11035

Project:

Concordia Charter School
Mesa, Arizona

Prepared For:

K-12 Soundvision, LLC

Mr. Jack Andre

March 1, 2011

Prepared By:

Charles "Chuck" Prefume, RCDD
Sr. Project Manager / Engineer / Estimator

End 2 End Technologies
1230 N. Hobson Street
Suite 102
Gilbert, Arizona 85233

Office: 480-545-8800

1.15 Project Costs

Pricing Schedule

L/S Material	
	8,125.53
L/S Labor	
	6,170.40
L/S Direct	
	-
Sub Total	
	14,295.93
Contractors Tax Rate	
	6.000%
Grand Total	
\$	14,295.93
\$	857.76
\$	15,153.68

Materials & Labor
6% Contingency
Total

1400 TAX
\$ 16,562.68

Warranty Type: End 2 End Technologies Standard

Payment Terms: Net 30

Material: FOB - Project Site

Tax: **NOT** Included in Project Costs Phoenix Tax Rate 9.3%

Print Name: MIKE DANIEL /TFI

Accepted by: [Signature] Title: TFI/Consultant
of Concordia Charter

Date: 3/20/2011 P.O. # _____

Authorized Signature: _____ Date: _____

Submitted By:

Charles "Chuck" Prefume, RCDD
Sr. Project Manager / Engineer / Estimator
End 2 End Technologies, LLC

Response Due Date: June 7, 2012**III.**Regarding **FRN 2196120**, please identify the type of references @ 9.3%.(i.e. state taxes, sales tax, federal, etc.).

Vendor Information***							one time
Form 470 Service or Function*	FRN**	Contract Date	Contract Type	Vendor	SPIN	Comments	
Internal Connections	471 - 809062						
cabling	2196120	3/20/2011	1 yr	K-12 Sound Vision	143019959	Cabling - Attach #5	15,562.68
						correct for tax addition during pia \$ 16,562.68	16,562.68

Answer – AZ state + City of Phoenix tax rate = 9.3%

1.15 Project Costs**Pricing Schedule**

L/S Material	
	8,125.53
L/S Labor	
	6,170.40
L/S Direct	
	-
Sub Total	
	14,295.93
Contractors Tax Rate	
	6.000%
Grand Total	
\$	14,295.93
\$	857.76
\$	15,153.68

Materials & Labor
6% Contingency
Total

3408 TAX
\$ 16,562.68

Warranty Type: End 2 End Technologies Standard

Payment Terms: Net 30

Material: FOB – Project Site

Tax: **NOT** Included in Project Costs

Phoenix Tax Rate 9.3%

Ashish Sitapara**Associate Manager, Program Compliance**

30 Lanidex Plaza West | Parsippany, NJ 07054

T: 973.581.5310 | F: 973.599.6525

asitapara@sl.universalservice.org

Response by Tech Funds Inc.

Mike Daniel

On behalf of Concordia Charter

mdaniel1@cox.net

602-882-2459

5/24/2012

Application Number: 809062**Response Due Date: August 22, 2012**

As follow up to our conversation of yesterday afternoon, the Program Compliance team is in the process of reviewing your appeal of Funding Year 2011 FCC Form 471 application # 808062, to ensure that it is in compliance with the rules of the Universal Service program.

Issue #2

In your documentation for FRN 2196120, you indicate a Phoenix Tax Rate of 9.3%, applicant is located in Mesa, AZ, Maricopa County. Please provide details / explanation as to the type(s) of taxes being requested (i.e. property, sales, USF admin., county, etc.) and appropriate rates.

Answer – please see reply below.

Please correct/modify FRN 2196120 from a pre-discount onetime cost of \$ 16,562.68 to \$ 16,259.90

Correction for taxes from \$ 1,409.00 to \$ 1,106.22, \$ 15,153.68 + \$ 1,106.22 = \$ 16,259.90

Vendor Information***							one time
Form 470 Service or Function*	FRN**	Contract Date	Contract Type	Vendor	SPIN	Comments	
Internal Connections	471 - 809062						
cabling	2196120	3/20/2011	1 yr	K-12 Sound Vision	143019959	Cabling - Attach #5	16,562.68
						correct for tax addition during pia \$ 16,562.68	16,562.68
						correct for tax change to 7.3 vs 9.3 during appeal pia	16,259.90

David Gornstein

Program Compliance, USAC Schools & Libraries Division
 30 Lanidex Plaza West | Parsippany, NJ 07054
 T: 973.581.5143 | F: 973.599.6525
david.gornstein@sl.universalservice.org

Response by Tech Funds Inc.

Mike Daniel
Mdaniell@cox.net
 602-882-2459

8 9 2012

Response Due Date: June 7, 2012**IV.**

Regarding **FRN 2196158**, please provide the model # for the LifeSize Room @ \$11,825.45/one-time charge. It should look something like this... (i.e. (1000-0000-1101).

Manufacturer	Product	Part Number
Lifesize	LF-Room	1000-0000-1101

V.

Regarding **FRN 2196158**, there is a request for “**Neoflex Mobile MediaCenter VH**” @ a unit price of \$885.89. Please identify the equipment on this cart by make and model #. If the equipment is list under this FRN, please state so.

Answer – the lifesize video codec/bridge/mcu

Manufacturer	Product	Part Number	Eligibility	ESL Category
Lifesize	LF-Room	1000-0000-1101	89%	Codec
LG	24” LCD	LG-LCDTV-22LD	89%	Video
Ergotron	Neoflex Mediacyenter	TD-ERG-VHV-CART	89%	Cabinet

VIII.

Based on the review of your **FY 2011 Form 471 application 809062**,for **FRN 2196158**, the documentation provided in the Item 21 Attachments indicates that the following ineligible items were included in your request:

LG 24” 16x9 Widescreen HDTV 720P w/ digital Tuner @ 357.36

1 - USAC has not shown evidence from the ESL or any related training from 2010 to indicate ineligibility and none of the conditions for its ineligibility are met.

2 – The Video products requested have already been “cost allocated” at 89%.

3 – No components are “end user devices”.

4 – The purpose of the Video conferencing/video on demand equipment is to enable the LIFESIZE system to stream live Internet video and VOIP from one or multiple sites over an Ethernet network to individual classrooms or areas of instruction.

Eligibility Requirements for All Internal Connections:

Internal Connections are components located at the applicant site that are necessary to transport information to classrooms, publicly accessible rooms of a library, and to eligible administrative areas or buildings. Internal

Components at the applicant site are eligible only if they are an essential element in the transmission of information within the school or library. The components must be necessary to transport information all the way to individual classrooms or public areas of a library.

[Voice/Video over IP](#) are eligible as Internal Connections.

5 – It acts as a host server; it requires a monitor for programming, for call initiation/set up and reproduction of near end and far end live video presentation. To disallow a monitor for this server would be contrary to the ESL. It uses Internet explorer for programming through its GUI interface.

System Management

Out-of-box setup via web interface and management tool

SNMP

1 x DB-9 RS-232 port configurable as control

Backup and restore capability

JPEG snapshots through web interface

6- It will not function without a monitor, just as a DNS/DHCP server cannot be programmed and effectuated without a monitor. Without a monitor the live video stream is not available for viewing and cannot be viewed elsewhere. Its UNIX code operates in conjunction with the Microsoft Communications server 2007 R2 and is Microsoft certified.



Microsoft® qualified with Microsoft® Office Communications Server 2007 R2™ and interoperable with Microsoft Lync

Monitor (Servers)	A monitor is the video display unit (television screen) that is used to display information from a computer.
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7 – The FCC has concluded and applied rule making to “video on demand” servers in FCC Docket 09-105, yet it remains missing from the USAC online web pages and is also missing from the 2011 ESL. See page 52 – index of the ESL. From the FCC Docket 09-105

Page 11 –

“Video On-Demand Servers. Although USAC had proposed to make “video on-demand Servers” ineligible in their entirety, we clarify that applicants can continue to receive E-rate discounts as internal connections for the portion of a video on-demand server that enables the transport of video to the classroom or parts of a library.”

8 – We find no changes in the ESL for 2010 or 2011 that would warrant the removal of the requested products and services. We find no changes submitted by USAC to the FCC by March 30th of 2011 effecting these products and services through public notice or rule making.

Page 17 –

“We also seek comment on our tentative conclusions that specific eligible products and services should be listed only in the ESL as opposed to being listed individually in the rules, and to require USAC to submit any proposed changes to the ESL to the Commission by March 30th of each year. We also tentatively conclude that we will remove the requirement in the rule that the Commission release a public notice when annually releasing the draft ESL and final ESL. By not specifying the procedural vehicle by which the ESL will be released, the rules will provide the Commission with flexibility to decide to release the ESL by public notice or order and, as necessary, to provide more details as to why certain services are changed, added, or excluded from the ESL.”

9 – Page 10 of the 2010 USAC training states **“Support for equipment and cabling on-site that transport information to classrooms or public rooms of a library.”**

Pursuant to the listings in the FCC rulings, Eligible Services List, and ESL glossary the equipment meets the criteria for being fully eligible for E-Rate funding.

Released: December 2, 2009

I. INTRODUCTION

1. In this report and order and further notice of proposed rulemaking, we address and seek comment on issues regarding the services eligible for funding under the schools and libraries universal service support mechanism, also known as the E-rate program. First, we modify our rules to expressly include interconnected voice over Internet protocol (VoIP) and text messaging as eligible services under the E-rate program. Second, we release the list of services that will be eligible for discounts for E-rate funding year 2010.¹ Finally, we seek further comment on the eligibility of certain services in future

2. In the report and order, we conclude that interconnected VoIP service is eligible for E-rate support and should continue to be an eligible service under the E-rate program.³ We also conclude that text messaging is eligible for E-rate support.⁴ In response to the *2010 ESL Public Notice*,⁵ we clarify the E-rate program eligibility of video on-demand servers, ethernet, web hosting, wireless local area network (LAN) controllers, and virtualization software. We find that telephone broadcast messaging,

3. In the further notice of proposed rulemaking, we seek comment on whether particular services should be designated as eligible for E-rate support in funding year 2011 and beyond. Specifically, we tentatively conclude that the ESL should not include separately-priced firewall services, anti-virus/anti-spam software, scheduling services, and wireless Internet access applications. Also, we tentatively conclude that web hosting should not be eligible for funding under the E-rate program, or, alternatively, should only be eligible for E-rate program funds as a Priority 2 service. In the further notice we also tentatively conclude that we should change our rules to establish that specific eligible products and services should be listed in the ESL as opposed to being listed individually in the rules.⁷ We seek comment on our tentative conclusions on the process for developing the ESL, including requiring the Universal Service Administrative Company (USAC) to submit any proposed changes to the ESL to the Commission no later than March 30th of each year. Finally, we tentatively conclude to revise our rules to

B. Clarifications Regarding the Eligibility for Support of Services in the Funding Year 2010 ESL


19. To assist both applicants and vendors in determining what funding year 2010 ESL services are eligible for discounts, we clarify the eligibility of video on-demand servers, ethernet, web hosting, wireless LAN controllers, VoIP-related services, and virtualization software.

1. Services Eligible for Support in the Funding Year 2010 ESL

20. *Video On-Demand Servers.* Although USAC had proposed to make “video on-demand servers” ineligible in their entirety, we clarify that applicants can continue to receive E-rate discounts as internal connections for the portion of a video on-demand server that enables the transport of video to the classroom or parts of a library.⁷² The portion of a video on-demand server that enables the storage of video or other content, however, would remain ineligible. To clarify the eligibility status of a video on-demand server, we add the term “video content storage” to the list of ineligible storage components on the ESL. This should more clearly delineate the portion of a video on-demand server that is ineligible for discounts.⁷³ Currently, applicants are using servers that house video for various purposes, including transporting information over a wide area network (WAN) or LAN to classrooms from a central server.⁷⁴ We note that there may be video on-demand servers that are primarily dedicated to the storage of video and other content and the cost-allocation used by the manufacturer should accurately reflect the true use of the server. We also caution applicants that duplicative products or services are ineligible.⁷⁵ If applicants are using other products or services to transport video or information throughout their school or library buildings, the portion of a video on-demand server that also provides this capability will be considered duplicative and ineligible.

⁷² This is similar to eligible video components. See 2009 ESL at 15.

¹⁰³ See *Telecommunications: Long-Term Strategic Vision Would Help Ensure Targeting of E-rate Funds to Highest-Priority Uses*, United States Government Accountability Office Report to Congressional Requesters, GAO-09-253 at 18-21 (March 2009) (March 2009 GAO Report). Priority 2 services include cabling, components, routers, switches, and network servers that are necessary to transport information to individual classrooms, public rooms in a library, or eligible administrative areas. *Id.* at 7.




Overview

Priority Two – Internal Connections







- Support for equipment and cabling on-site that transport information to classrooms or public rooms of a library
- Does NOT include end-user components such as computers
- Subject to the [Two-in-Five](#) Rule
 - Entities can only receive funding every two out of five years

Eligible Services | 2010 Schools & Libraries Fall Applicant Trainings
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Overview

Priority Two -Internal Connections

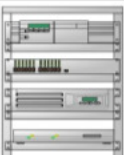


Not Eligible	Eligible
 Telephone/Cell Phone – End-User Equipment	 To LAN (VoIP) or Voice Network
 Laptop – End-User Equipment	 To LAN Access Point – Data Distribution
 Video Camera – End-User Equipment	 To LAN CODEC – Video Components

Eligible Services | 2010 Schools & Libraries Fall Applicant Trainings
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Priority Two -Internal Connections

Eligibility		Product - Function
Eligible		Router – Data Distribution Switch – Data Distribution E-mail Server - Servers DHCP/DNS Server - Servers
Conditionally Eligible *		Tape Drive - Data Protection Uninterruptible Power Supply (UPS) - Data Protection
Not Eligible		Application Server - Servers
Conditions: *Eligible if used with eligible equipment. Cost Allocation may be utilized if supporting ineligible equipment		

Internal Connections

Eligibility		Product - Function
Eligible		Router – Data Distribution Switch – Data Distribution E-mail Server - Servers VoIP Gateway – Telephone Components
Conditionally Eligible *		Tape Drive - Data Protection Uninterruptible Power Supply (UPS) - Data Protection
Not Eligible		Application/Archive Server - Servers
Conditions: *Eligible if used with eligible equipment. Cost Allocation may be utilized if supporting ineligible equipment		

[Voice/Video over IP](#) are eligible as Internal Connections.

Components such as those indicated above are typically configured into a [local area network](#) or [wireless](#) area network.

[Schools and Libraries Eligible Services List for Funding Year 2011](#) – Page 14

Internal Connections

A server can be eligible or not eligible, depending on how it is used. An eligible server must serve as a conduit for information rather than as a source for content. Servers typically provide multiple functions. If servers are used for both eligible and ineligible purposes, the cost of the ineligible portion must be [cost allocated](#). The following uses are eligible:

- [Dynamic Host Configuration](#)
- [Domain Name](#)
- [E-mail](#)
- [Firewall](#), if included in the standard configuration of an Internet access service, or [Proxy Server](#)

The following servers are eligible only in certain cases:

[Remote Access Components](#)— Eligible if steps are taken to ensure that remote access is limited to connections from eligible locations. Remote access cannot be provided to homes or other non-school or non-library sites.

[Terminal Server](#)— Eligible to the extent that the use meets the other eligible server types indicated in this section but not eligible as a source for ineligible software applications or other ineligible uses.

[Web Server](#)— Eligible if used to provide content to users of the Internet but not eligible as a source for software applications, database functions, or storage of end-user files.

One [monitor](#) per eligible server or other eligible component requiring a visual display is eligible for discount. However, special-purpose devices, such as large screen monitors, are not eligible.

[Schools and Libraries Eligible Services List for Funding Year 2011](#) – Page 16

Internal Connections

Video Components

Centralized [video](#) necessary to transport information all the way to individual classrooms or public areas of a library are eligible. This includes:

- [CODEC](#)
- [Master Control Unit](#)
- [Multipoint Control Unit](#)
- [PVBX](#)
- [Video Amplifier](#)
- [Video Channel Modulator](#)
- Enhanced Multimedia Interface

Equipment that is used to control the programming, distribution, and selection of video content can be eligible if used in the transport of information to individual classrooms or public areas of a library, however such components are not eligible if used in end-user equipment and/or are operated directly by end-users.

Glossary

Cabling (Cabling)	Cabling refers to the wires or groups of wires capable of carrying voice, video, or data transmissions. Cabling provides electrical (or, in the case of fiber optics, lightwave) connectivity between points.
Bridge (Interfaces)	A bridge is a data communications device that connects two or more network segments, often translating information from one type of network protocol to another.
CODEC / Video Encoder (Video Components)	A CODEC (coder/decoder), also known as a video encoder, is a device comprising an encoder and decoder in the same equipment. The CODEC produces a coded output and compresses and decompresses audio and video signals.
Conduit and Raceway (Cabling)	Conduit and raceway are metal or plastic pipe or channels used to protect cable.
Distance Learning (Digital Transmission Services)	Distance Learning utilizes video and audio technologies to allow students who are remotely located from other students or the lecturer to participate interactively with the class.
Gateway (Interfaces)	A gateway is a network device that acts as an entrance to another network and often is used to connect two otherwise incompatible networks.
Master Control Unit (Video Components)	A Master Control Unit (MCU) is a device that controls the main operating functions of a video system.
Monitor (Servers)	A monitor is the video display unit (television screen) that is used to display information from a computer.
PVBX (Video Components)	A Private Video Branch Exchange (PVBX) is a PBX designed for video information. A PVBX can link classrooms or other locations together and can interconnect end-user and other equipment, such as cameras, monitors, and videocassette recorders.
Video Components (Video Components)	Video components provide the capabilities and technologies to enable moving images on television screens or computer monitors.
Voice Compression Module (Telephone Components)	A Voice Compression Module allows voice and fax traffic to share the same lines as data and LAN traffic.
Voice/Video over IP (VoIP) Components (Data Distribution)	Voice/video over IP (VoIP) components refer to equipment that utilizes the TCP/IP suite of protocols to provide voice and/or video communications.

LifeSize® Room 220™ Product Specifications

Communications

H.323, SIP, 128 Kbps–8.0 Mbps (point-point)
128 Kbps - 2.0 Mbps (multipoint, per call)
1xRJ-45 Network LAN (10/100 Mbps)
1xRJ-45 for LifeSize Phone (PoE supported)
1xRJ-45 for LifeSize Networker (PoE supported)
1xRJ-11 for analog telephone line
1x3.5 mm Mic In for LifeSize MicPod

Support for multiple HD displays

Any HD display supporting HDMI or DVI-I input

Video Specifications/Video Resolutions

Maximum resolutions widescreen 16:9 aspect ratio
All resolutions progressive scanning
All resolutions at 30 frames per second except 60 frames per second where noted
384 Kbps (912x512 pixels) DVD resolution
512 Kbps (1024x576 pixels)
768 Kbps (1280x720 pixels) high definition
1.1 Mbps (1280x720 pixels @ p60) high definition
1.7 Mbps or higher (1920x1080 pixels) high definition

Video Standards

H.261, H.263, H.263+, H.264 and H.239 and BFCP
compliant with Polycom
Support for multiple dual live streaming modes:
1080p30 and 720p5
720p60 and 720p5
720p30 and 720p30

Video Inputs (6 Inputs)

1 x High definition camera (720p30)
2 x HD Video In (1080p30/720p30)
1 x DVI-I In (HDMI/VGA enabled)
1 x Component In or 1 x Composite In
1 x S-Video In

Video Outputs (2 Outputs)

1 x HD Video Out (1080p30/720p60)
1 x DVI-I Out (1080p30/720p60)

User Interface & Features

Context sensitive user interface
Graphical user interface call manager

Audio Standards

G.711, G.722, G.722.1 and G.722.1C licensed from
Polycom®, G.728, G.729, MPEG-4 AAC-LC

Intelligent Network Features

Adaptive Motion Control (AMC) including Forward Error
Correction (FEC)
NAT/firewall traversal (H.460/SIP)
IPv4 and IPv6 support
Auto bandwidth detection
ISDN support via LifeSize Networker

Embedded HD Multipoint Control Unit

Full HD CP MCU with up to 4 visible participants
Up to 8-way 720p60/ 720p30/ 6-way 1080p30 CP or VAS mode
Transcoding support
Virtual Multiway allows participant viewing control (patent pending)
H.239 multipoint support shared from any participant
Disable multipoint option

System Management

Out-of-box setup via web interface and management tool
SNMP
1 x DB-9 RS-232 port configurable as control
Backup and restore capability
JPEG snapshots through web interface



Microsoft
PartnerNetwork

Microsoft® qualified with Microsoft® Office Communications Server 2007 R2™ and interoperable with Microsoft Lync

Regulatory Model Number
LifeSize Room 220 = LFZ-015

Ashish Sitapara

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Response by Tech Funds Inc.

Mike Daniel

On behalf of Concordia Charter

mdaniel1@cox.net

602-882-2459

5/24/2012

Response Due Date: July 3, 2012

Based on documentation that you have provided, we have determined that FRN 2196158 includes ineligible items. According to program rules, USAC is unable to fund ineligible products or services. The charges associated with ineligible items must be identified and removed. Listed below are the ineligible items and their associated costs:

LG LCDTV **\$357.36** *This item is 89% eligible, eligible cost is \$ 318.05*

Part Number	Description	Qty	Unit Price	Extended Price	Eligibility	Eligible Cost
LG-LCDTV-22LD	LG 24" 16:9 Widescreen HDTV 720P w/Digital Tuner	1	\$357.36	\$357.36	89.00%	\$318.05

TD- ERG- VHV Cart **\$97.44** *This amount is cost allocated from the total*

Part Number	Description	Qty	Unit Price	Extended Price	Eligibility	Eligible Cost
TD-ERG-VHV-CART	NEOFLEX MOBILE MEDIACENTER VH	1	\$885.89	\$885.89	89.00%	\$788.45

LF Room **\$1300.80** *This amount is cost allocated from the total*

Part Number	Description	Qty	Unit Price	Extended Price	Eligibility	Eligible Cost
LF-ROOM	LifeSize Room	1	\$11,825.45	\$11,825.45	89.00%	\$10,524.65

Total ineligible **\$1755.60**

Total amount = \$ 20,499.74, eligible amount = \$ 18,244.77

Please confirm that you agree with the cost allocation and the ineligible item(s) should be removed from the FRN. ☒ **X** Yes for items TD-ERG- VHV cart and LF Room or ☒ **X** No for item LG LCDTV

Option II

If you do not agree with our eligibility assessment of your product(s)/service(s), then you may provide third party supporting documentation dated on or before the Form 471 window close date (e.g., vendor bill, contract, service agreement, etc.) to show why this product(s)/service(s) is eligible.

1 – From the FCC Docket 09-105 – video on demand servers are fully eligible but are not listed in the USAC eligible services list. This information is located on page 11 of the attached pdf.

Page 11 yr – 2010 ESL**Eligibility Requirements for All Internal Connections:**

“Internal Connections are components located at the applicant site that are necessary to transport information to classrooms, publicly accessible rooms of a library, and to eligible administrative areas or buildings. Internal Connections include connections within, between or among instructional buildings that comprise a school campus or library branch, but do not include services that extend beyond the school campus or library branch.

Components at the applicant site are eligible only if they are an essential element in the transmission of information within the school or library. The components must be necessary to transport information all the way to individual classrooms or public areas of a library.

“One monitor per eligible server or other eligible component requiring a visual display is eligible for discount. However, special-purpose devices, such as large screen monitors, are not eligible.”

7 – The FCC recognizes that the schools, not USAC are in the best position to evaluate the benefits of this high definition product -

Federal Communications Commission FCC 97-157

432. As the Joint Board recognized, the establishment of a single set of priorities for all schools and libraries would substitute our judgment for that of individual school administrators throughout the nation, preventing some schools and libraries from using the services that they find to be the most efficient and effective means for providing the educational applications they seek to secure.¹¹¹⁶ Given the varying needs and preferences of different schools and libraries and the relative advantages and disadvantages of different technologies, we agree with the Joint Board that individual schools and libraries are in the best position to evaluate the relative costs and benefits of different services and technologies.¹¹¹⁷

433. As the Joint Board observed, permitting schools and libraries full flexibility to choose among telecommunications services also eliminates the potential risk that new technologies will remain unavailable to schools and libraries until the Commission has completed a subsequent proceeding to review evolving technological needs.¹¹²² Thus, in an environment of rapidly changing and improving technologies, empowering schools and libraries, regardless of wealth and location, to choose the telecommunications services they will use as tools for educating their students will enable them to use and teach students to use state-of-the art telecommunications technologies as those technologies become available.

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Response by Tech Funds Inc.
Mike Daniel
On behalf of Concordia Charter
mdaniel1@cox.net
602-882-2459
6/26/2012



NOTE: School estimated cost based on NSLP eligibility of: 90%

IDSolutions, 14701 Cumberland Road, Suite 400, Noblesville, IN 46060 Contact: Pat Cassella, (203) 980-6928, SPIN: 143027748

E-Rate Service Order for E-Rate, 470 Application Number: 81899000906413, MSA #: 1009-031011-3, Service Start Date: 7/1/2011, Service End Date: 6/30/2012, Contract Expiration

School/District Contact Information:

Concordia - 142 N DATE ST, Mesa, AZ, 85201-0000

Dale Kvitem_Barr - (480) 461-0555, dalekb@mac.com

Cost Estimator Worksheet for Erate projects - ALL CALCULATIONS ARE ESTIMATES. Actual funding can only be determined in the application process

Cost of Project without any Erate Discounts: \$20,499.74 Cost of Project with applicable Erate Discounts: \$18,244.77

Estimated School's Out of Pocket Cost after Erate Discounts and based on NSLP %: \$4,079.45 Tax Rate Applied to this funding estimate: 8.30%

Equipment and Services

Equipment

Part Number	Description	Qty	Unit Price	Extended Price	Eligibility	Eligible Cost	SLD Will Pay	School's Out of Pocket
LG-LCDTV-22LD	LG 24" 16:9 Widescreen HDTV 720P w/Digital Tuner	1	\$357.36	\$357.36	89.00%	\$318.05	\$286.24	\$71.11
TD-ERG-VHV-CART	NEOFLEX MOBILE MEDIACENTER VH	1	\$885.89	\$885.89	89.00%	\$788.45	\$709.60	\$176.29
LF-ROOM	LifeSize Room	1	\$11,825.45	\$11,825.45	89.00%	\$10,524.65	\$9,472.19	\$2,353.26
				\$13,068.70		\$11,631.14	\$10,468.03	\$2,600.67

Services

Part Number	Description	Qty	Unit Price	Extended Price	Eligibility	Eligible Cost	SLD Will Pay	School's Out of Pocket
IDS-IPMES	Implementation, Project Management, Engineering, Support and Shipping	1	\$7,431.04	\$7,431.04	89.00%	\$6,613.63	\$5,952.26	\$1,478.78
				\$7,431.04		\$6,613.63	\$5,952.26	\$1,478.78
Grand Total w/o Optional Items and w/o Shipping:				\$20,499.74		\$18,244.77	\$16,420.29	\$4,079.45

Proposal #: 1009-031011-3

Thursday, March 10, 2011

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